

## **ATTACHMENT**

### **ENERGY, SCIENCE AND ENVIRONMENT STRATEGIC MANAGEMENT SYSTEM (FY 2008 Planning Through FY 2006 Implementation Cycles)**

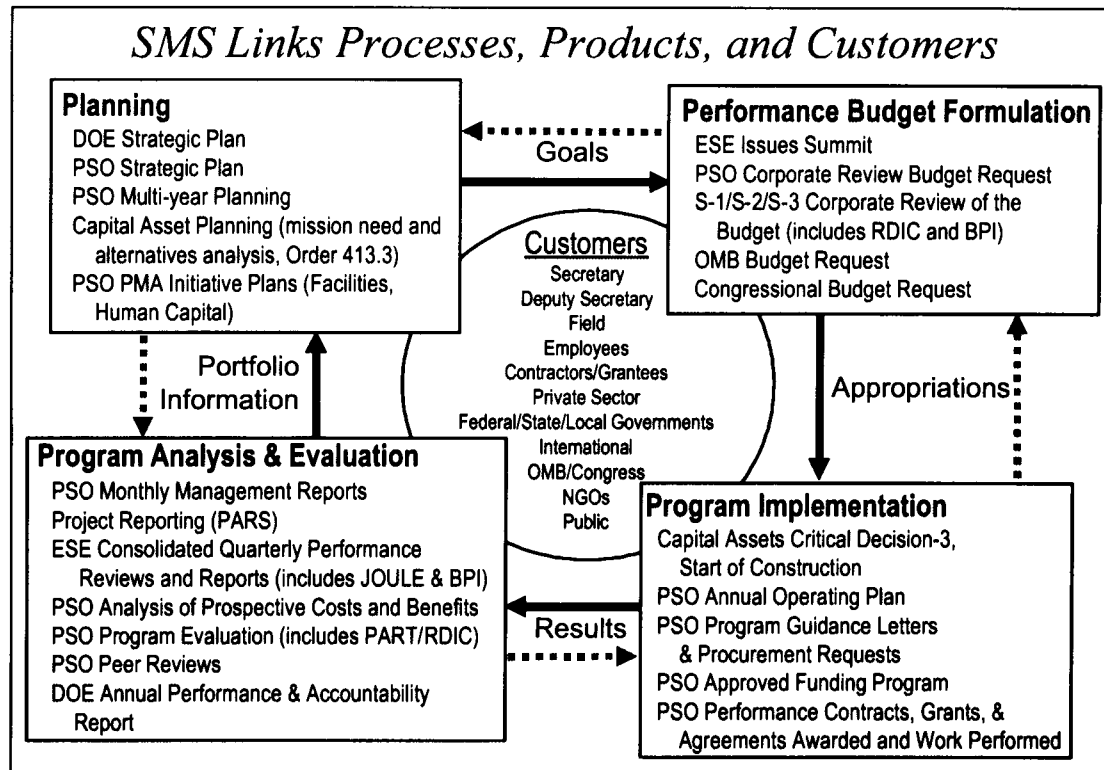
#### **System Framework**

The Under Secretary for Energy, Science and Environment (ESE) developed the Strategic Management System (SMS) to increase the efficiency and effectiveness of its business management functions of planning, budget formulation, program implementation, and program analysis and evaluation. The SMS is a comprehensive set of key activities and products that ESE organizations perform each year in accomplishing their mission and achieving their goals. The SMS identifies these activities and products, describes them, shows how they relate to each other, and provides a schedule for their accomplishment. Implementation of the SMS aligned programmatic and business management activities provides critical information at the right time for key decision-making, while, at the same time, increases the responsiveness of ESE programs by considering the insights, interests, and requirements of customers and stakeholders.

ESE's commitment to performance-based management and improved business practices led to the development of the ESE SMS. Performance-based management uses performance measurement information to help set agreed-upon performance goals, to allocate and prioritize resources, to inform managers so they can manage program activities to meet those goals, and to report on their success. It also offers the opportunity to learn from any failures in performance and to continuously improve management practices.

Most of the elements described in the SMS existed in the past, but were carried out in a piecemeal fashion. They are now integrated into a cohesive whole, based on common terms and definitions and applied using a consistent set of principles, procedures, and information management systems. In so doing, the SMS will become the vehicle to integrate the various performance demands that ESE organizations face, both internally and externally. It provides the foundation on which to build reliable performance management information; and establishes the feedback processes needed to monitor and meet performance goals. In addition, the SMS helps ensure compliance with the Government Performance and Results Act of 1993; the Government Management Reform Act of 1994; the Federal Managers Financial Integrity Act; the Office of Management and Budget's (OMB) R&D Investment Criteria, Program Assessment Rating Tool, and other directives; the President's Management Agenda; Congressional guidance; and DOE's internal performance management initiatives.

The SMS is designed to determine and then satisfy customer expectations through the key processes and products shown below. Both internal customers and external customers are central to each element of the SMS. Internal customers are the Secretary, Deputy Secretary, and ESE employees, including Field staff, all of whose knowledge, skills, and abilities are needed to plan, budget, implement, and evaluate ESE programs. The SMS serves them and depends on them. External customers, partners, and stakeholders are from the private sector, State, local, and other Federal government agencies, the international community, non-governmental organizations, OMB and Congress, and the American public. The insight, interests, and requirements of these customers help set the direction of ESE programs as well as offer suggestions on how best to implement them and how to improve them.



This document describes all of the SMS activities in the chronological order they would occur for a single fiscal-year cycle. For example, the FY 2008 cycle starts in the fall of 2005 and ends with the issuing of the DOE FY 2008 Annual Performance and Accountability Report (PAR) in November 2008. For the FY 2008 cycle, the SMS activities and schedule will be determined subject to the deliberations of the Enterprise Resource Management Working Group's decisions to be made during 2005.

When planning the ESE-SMS schedule, it is important to recognize that ESE organizations do not work on only one fiscal year at a time. During the 38 months it will take to complete the full FY 2008 cycle, parts of the cycles for FYs 2006, 2007, 2009, and 2010 will also be underway. At any given time, ESE organizations conduct planning, budgeting, program implementation, or evaluation activities for not less than five distinct fiscal years.

DOE Order 413.3 regarding Project Management also needs to be considered early in the planning process because of requirements for obtaining design funds (PED) and the 413.3 requirement to have Performance Baselines validated prior to requesting funds for construction. For large projects, the planning cycle from Critical Decision (CD)-0 to start of construction (CD-3) can take 4-5 years, and so it is important that the upfront and outyear planning is comprehensive. One of the principal methods for expediting baseline validation required for the start of project construction is to have clear project goals and mission requirements at the outset of the project (i.e., CD-0). Such planning will reduce both the conceptual and preliminary design phases and result in both a faster project completion and a better planned project.

The key processes—planning, budget formulation, program implementation, and program analysis and evaluation—are interdependent and designed for the effective program implementation and delivery of ESE's products and services. Planning identifies the goals and priorities of the organization and

determines the methods to achieve those goals. Budget formulation allocates resources including the utilization of staff. Program implementation delivers goods and services to customers. Program analysis and evaluation assesses how well ESE organizations have implemented their programs, are progressing toward achieving their goals, and the value of continuing programs or initiating new ones. It is integral to the next planning cycle. Obviously, each of these steps is informed by and dependent on the others.

### **What Is New This Year**

There are two major new activities introduced this year. The first is that the Department will be preparing an updated strategic plan to be published in March 2006. This plan will reflect the recently passed Energy Policy Act of 2005. The second is a one-day ESE Issues Summit to be held annually in late March with the ESE Program Secretarial Officers. The purpose of the Summit will be to identify, discuss, and resolve crosscutting planning and budget issues that exist between ESE program offices and possibly other DOE offices prior to submission of the Corporate Review Budget to the CFO and the Corporate Review Budget meetings with the Secretary and Deputy Secretary that are held in July.

### **SMS and PMA Integration**

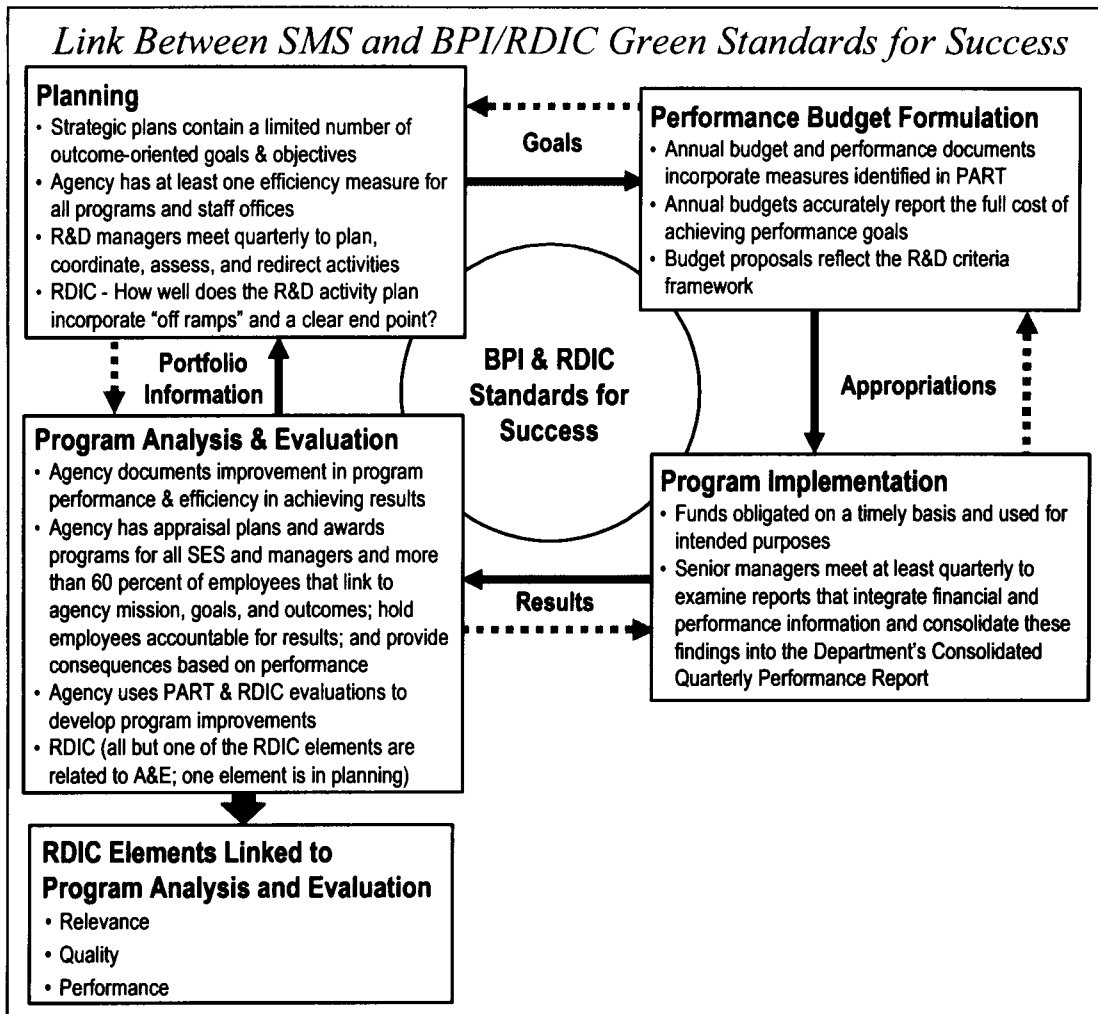
One of the goals of the SMS is to make sure that Presidential Initiatives and OMB and Congressional requirements are met. The figure shown on the next page is an illustrative example of how the SMS framework will lead to meeting the requirements of the BPI and RDIC initiatives of the PMA. In the figure, the success standards for BPI and RDIC are mapped into the four SMS key processes. (Note: Only ESE's applied R&D and science programs complete the RDIC).

### **Corporate Information Technology Systems**

The DOE-wide I-MANAGE system is a new DOE initiative that may impact the SMS and the existing corporate information systems that support ESE programs. I-MANAGE is being developed by DOE's Chief Financial Officer/Chief Information Officer and is scheduled for completion over the next several years. It will integrate the Department's business management systems for financial accounting, travel, payroll, budget formulation and execution, procurement and contracts management, and human resources. As development of these electronic systems progresses, existing ESE corporate systems and the SMS will be modified to accommodate them.

Until DOE I-MANAGE systems are fully developed and providing services throughout DOE, existing ESE corporate systems (approved by the Office of the Chief Information Officer) shall continue to operate and must be able to provide the following information to Program Secretarial Officers (PSOs) and Senior DOE managers on programmatic activities:

***Projects and Milestones.*** Project and milestones data link work performance to the funding actions in the Spend Plan and provide a standard format for each organization to plan, track, and report milestones and project information. All programs and projects must have at least one milestone or objective, and must be aligned to higher-level milestones that support Joule targets, except as otherwise authorized by law, regulation, or policy. This is at the heart of the PMA's goal of better integrating budget formulation and performance measures. Thus, the Department is requiring each ESE Program Office to collect and report relevant schedule, budget execution, and performance metrics on a monthly



basis. The performance measures developed by the ESE Program Offices will identify outcomes (the preferred choice), outputs, or products that are linked to cost, schedule, and budget.

**Spend Plan.** The Spend Plan data relates to budget formulation, program implementation, and evaluation by assisting each ESE organization to plan, track, and report each funding action over the course of a fiscal year. A Control Table is an inherent part of the Spend Plan and summarizes the administrative control levels and compares those to the spending plan to identify instances of funds remaining at Headquarters too long. The Spend Plan is one of the key components of the Annual Operating Plan (AOP).

**Procurement Plan.** A Procurement Plan will be developed by each ESE organization that will serve as the baseline for creating new awards for the upcoming fiscal year. It will address the schedule for all major activities and milestones associated with issuing solicitations and making awards.

**Financial.** Using the Spend Plan as the organization's financial performance baseline, monthly reports will be developed and maintained that identify actual progress against the baseline. ESE organizations will use the monthly STARS download which includes funding, obligations, and cost and uncosted data for each organization's programs by contract or financial assistance instrument and by office, national laboratory, awardee, Central Internet Database, program, subprogram, category, and appropriation

symbol. This download will be used monthly throughout each organization during Program Implementation as a means to identify cost trends and to assure that the timing of obligations and costs are consistent with the needs of the particular project.

**Procurement Tracking.** ESE organizations will continue to use information from the Procurement and Assistance Data System (PADS) and its replacement, the Federal Procurement Data System-Next Generation (FPDS-NG) to manage the status of each organization's procurement portfolio. PADS/FPDS-NG data should be downloaded and used monthly throughout each organization to: understand the status of all current procurements; plan procurement actions required to replace expiring procurements; and answer questions regarding, for example, the location (State or congressional district) or type (for example, small business set aside) of contracts, cooperative agreements, and grants. The monthly DOE national laboratory downloads include budget and procurement data as provided monthly by the national laboratories. No Departmental system identifies individual national laboratory procurements, so these downloads provide the only routine means for ESE organizations to review and report on the timeliness and status of national laboratory activities. The timeliness of laboratory performance on projects often significantly impacts their progress as well as their funding schedule.

## **SMS Components**

The SMS's four key processes—planning, performance budget formulation, program implementation, and program analysis and evaluation—are described in the following sections.

Each of the SMS products and activities that contain program specific information will be developed by the appropriate ESE Program Offices and approved by the Under Secretary for ESE.

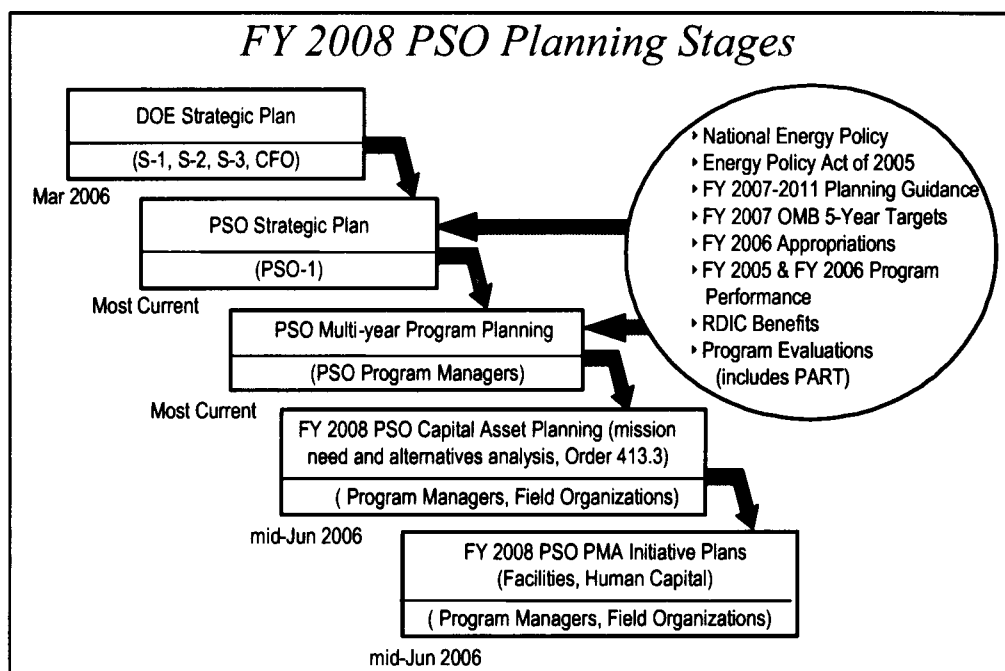
### **PLANNING**

Planning for each ESE PSO is conducted at four organizational levels: PSO Corporate, PSO Programs, PSO Field Organizations, and PSO Contractors. Planning is also conducted for 3 time horizons; namely, strategic (10 to 20 years), multi-year programmatic (2-15 years, including a 5-year resource plan), and annual/operational (1 year). Each PSO will ensure integration of their goals, objectives, and milestones during the SMS planning, budget formulation, program implementation, and program evaluation key processes.

The key stages of the FY 2007 planning process are described below and shown on the next page.

**DOE Strategic Plan.** DOE's Strategic Plan will be updated and published in March 2006. The Office of the Chief Financial Officer is coordinating this effort which will include the participation of all DOE Program Secretarial Offices. Key inputs to the revised plan will include Administration policies and priorities and the Energy Policy Act of 2005. The Office of the Under Secretary for ESE and the ESE program offices will participate in the development of the plan.

**PSO Strategic Plans.** PSO Strategic Plans set out the program and business activities at the PSO corporate level. They articulate the strategic goals and strategies that will shape future budget requests and guide program execution. The plan also presents success indicators and metrics to be used for performance measurement and program evaluation. These success indicators and metrics are at the core of the S-2 initiative to "projectize programs under the BPI construct." Inputs to PSO Strategic Plans generally include strategic planning by PSO Headquarters and Field Offices, Program Managers;



Administration policies; Congressional direction; the National Energy Policy; the Energy Policy Act of 2005; DOE's Strategic Plan; DOE Corporate Planning Guidance; input from customers, stakeholders, and the public; the President's Management Agenda, program accomplishments and opportunities; and other relevant information. Strategic Plans should be issued every three years or sooner if significant changes in policies or planning assumptions occur. Minor changes will be accommodated in the PSO's input to DOE's Annual Budget.

**PSO Multi-year Program Planning.** Each PSO will conduct multi-year planning for its programs. Depending on the program, this planning may cover a period from 5 to 15 years out and fill the gap between DOE's 25-year Strategic Plan and the annual budgets. Planning establishes the Program's goals, objectives, and targets and includes 5-year financial levels and staffing projections and associated performance objectives and measures. This planning provides key inputs to the integrated corporate DOE 5-year budget submissions, and each designated Program Manager is responsible for maintaining current multi-year planning information.

**FY 2008 PSO Capital Asset Planning (Mission Need and Alternatives Analysis, Order 413.3).** DOE Order 413.3, *Program and Project Management for the Acquisition of Capital Assets*, adopted October 13, 2000, assigned responsibility to Federal program and project directors for ensuring that capital asset projects are managed with integrity and in compliance with applicable laws. The Order along with DOE Manual 413.3-1 provides Departmental project management direction for the acquisition of capital assets with a total project cost greater than \$5 million. DOE Order 413.3 has several requirements that impact planning for the FY 2008 budget:

- Projects requiring funding for design in FY 2008, referred to as Project Engineering and Design (PED), will need to have an approved Critical Decision-0 (Mission Need Justification) by mid-June 2006. Please note that Preliminary Design cannot begin until Critical Decision-1 (Approve Alternative Selection and Cost Range). Preliminary Design must be started early enough to allow the project baseline to be validated in time to meet the cutoff date for requesting construction funds.

- Projects requiring construction funds for FY 2008 will need to have the baseline validated by the Office of Management by June 30, 2006.

In effect, these requirements mean that projects planned for start of construction in the FY 2010/FY 2011 timeframe will need to have completed sufficient planning by June 2006 to establish a Mission Need Justification and to develop an estimate for design funding. Some exceptions will be allowed, but will need to be coordinated within DOE.

**PSO FY 2008 PMA Initiative Plans (Facilities, Human Capital).** Sites/facilities will develop a business plan for their respective Lead Program Secretarial Officer (LPSO) that reflect strategic and tactical plans, address long-term (5-10 years) site goals and objectives, integrate multiple/program perspectives, identify mission and program changes and direction, needed facilities and capital assets, and changes in the operating environment. The business plans' real property asset requirements will be identified in rolling, Ten-Year Site Plans developed in accordance with the requirements in DOE Order 430.1B, *Real Property Asset Management*, adopted September 24, 2003. PSOs/LPSOs are expected to fund maintenance annually, at the industry standard minimum range of 2 to 4 percent of Replacement Plant Value. The appropriate percentage is relative to the type of facility and its complexity. PSOs/LPSOs are also expected to maintain an appropriate condition of their facilities and appropriate utilization or disposition. Programs that have substantial deferred maintenance (where the Facility Condition Index is greater than 5 percent) need to program resources to address the backlog. LPSOs/Cognizant Secretarial Offices (CSOs) will ensure qualified DOE Federal facilities management staffs are assigned at the Headquarters offices and field elements to ensure accountability and oversight of real property and real estate actions.

The Department requires accounting for execution of resource decisions made during planning, programming, and budgeting. To assess the use of real property asset budgets for their intended purposes, the following execution measures are established:

- On a quarterly basis, Headquarters program offices (LPSOs/CSOs) will review their sites' real property maintenance and disposition budget execution against the amounts shown in the Integrated Facility and Infrastructure (IFI) Budget Crosscut. The use of those budgets for other than their intended purposes requires advance approval by the cognizant Under Secretary.
- Assessment of IFI Budget execution for real property maintenance and disposition by Headquarters program offices are to be submitted to Under Secretary and the Office of Engineering and Construction Management not later than 45 calendar days following the end of each fiscal year quarter.

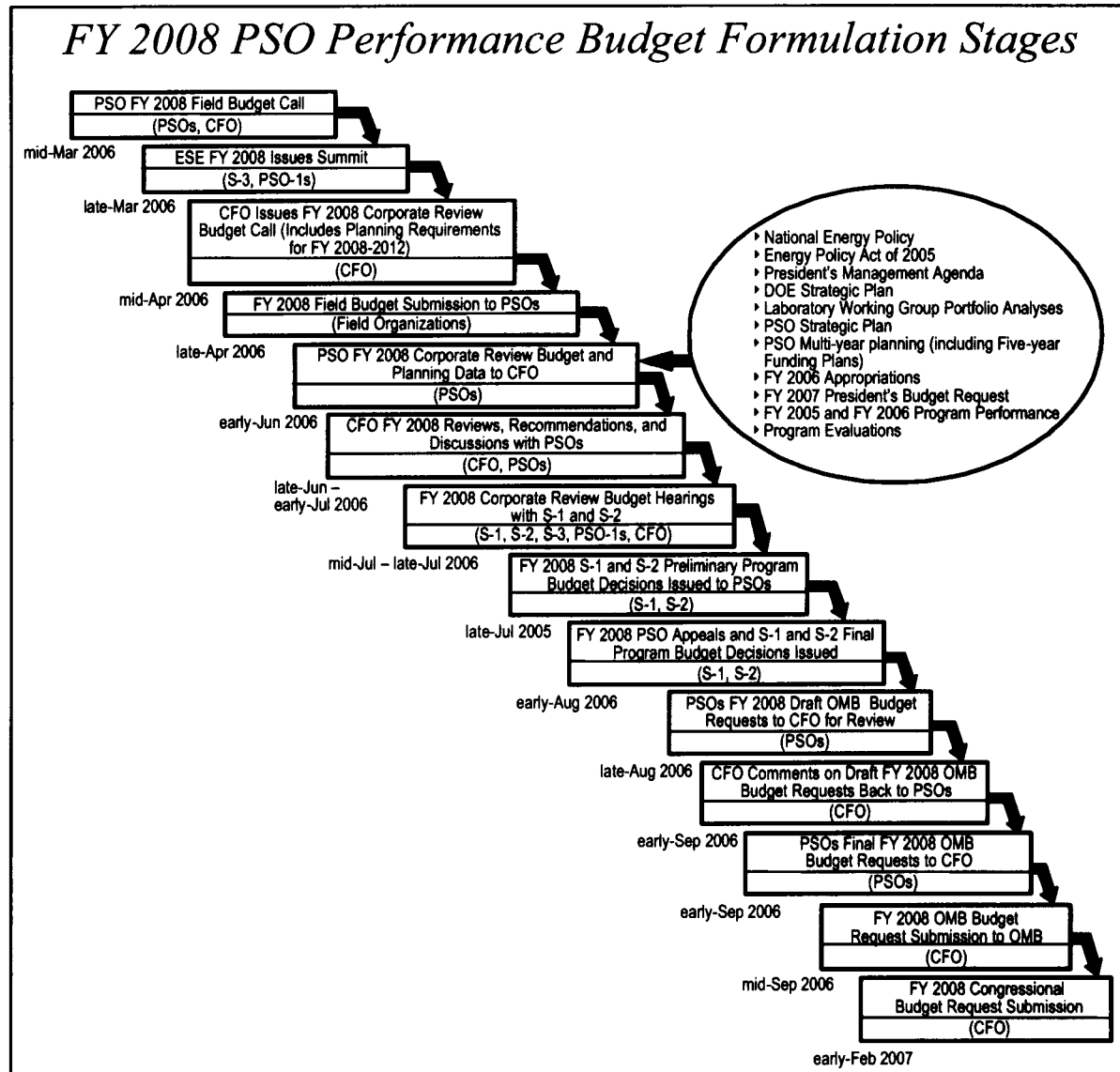
PSO FY 2008 Human Capital Plans address workforce planning components prerequisite to achieving Program Plan goals. The components include: staffing allocations, succession planning, knowledge management, skills gap analyses, and a diverse workforce. Program Plan goals reflect the Department's mission and key objectives, which, in turn, are integrated into the individual performance plans of senior executives and managers/supervisors.

The PMA Initiative plans for FY 2008 are due mid-June 2005.

## **PERFORMANCE BUDGET FORMULATION**

The key stages of the FY 2008 performance budget formulation process are described and shown below. The process is designed to provide budget guidance as early as possible, to make major issues

and concerns highly visible, to enable senior managers to make decisions in an efficient and timely manner, and to deliver a performance-based budget to OMB and the Congress on schedule. Formulating an integrated performance budget relies heavily on information derived from the planning process activities, especially the PSO Strategic Plans, PSO Multi-year Program Planning, past program performance, and future program expected benefits.



**PSO FY 2008 Field Budget Call.** On In mid-March 2006, the CFO will send the FY 2008 Field Budget Call to Field organizations to guide them in the preparation of their budget submissions.

**ESE FY 2008 Issues Summit.** In late-March 2006, the Under Secretary for ESE will chair a one-day Issues Summit with all ESE Program Secretarial Officers. The Summit will identify, discuss, and hopefully resolve crosscutting planning and budget issues that exist between ESE program offices and possibly other DOE Offices, including offices in the National Nuclear Security Administration. The goal of the summit will be to minimize the number of issues that come before the Secretary and Deputy Secretary at the Corporate Review Budget Hearings held in July.



**CFO Issues FY 2008 Corporate Review Budget (CRB) Call Including Planning Requirements for FY 2008 – FY 2012 and Formats for the OMB Submission.** In mid-April 2006, the CFO will issue the CRB Call that includes planning requirements for FY 2008 – FY 2012 and the formats for the OMB Budget submission.

**FY 2008 Field Budget Submission to PSOs.** Based on DOE's FY 2008 – FY 2012 Multi-Year Planning Guidance, PSO Field Budget Calls, PSO program guidance, and the CFO's Field Budget Call and Handbook, the Field organizations will prepare and submit their FY 2008 budget proposals to their respective PSOs by late-April 2006.

**PSO FY 2008 Corporate Review Budget and Planning Data to CFO.** From April to June 2006, PSOs will conduct budget and staffing-level impact analyses, ensure that Programs have cooperated with the Field to determine whether funding levels and performance planning commitments for field integration programs are practical and feasible, and prepare CRB and planning data for FY 2008 to FY 2012 for submittal to the CFO by early-June 2006. PSO planning and budgets will reflect input from the ESE Laboratory Working Group's Portfolio Analyses that will be provided to the ESE R&D Council and Under Secretary for Energy Technology and the Under Secretary for Science in late-February 2006. Projects requesting construction funds in FY 2008 will need to have baselines validated by June 30, 2006. Baselines are validated by the Office of Management following completion of preliminary design.

**CFO FY 2008 Reviews, Recommendations and Discussions with PSOs.** From late-June to early-July 2006, the CFO and A-teams (representatives of DOE staff offices) will review the PSOs' budget and planning data and develop recommendations for the CRB Hearings. The CFO will discuss its recommendations and positions with each PSO prior to the Hearings.

**FY 2008 Corporate Review Budget Hearings with S-1 and S-2.** From mid-July to late-July 2006, CRB Hearings will be held with the Secretary, Deputy Secretary, Under Secretary, CFO, and PSOs. The specific format for the Hearings will be provided as separate guidance. These reviews will include the Research and Development Investment Criteria (RDIC) and the Budget Performance Integration (BPI) standards, as applicable to each ESE Program Office, to ensure that corporate level budget and staffing decisions are linked to past performance and the expected benefits of future work. The BPI and RDIC:

- Provide a means to reflect the use of the President's Management Agenda in the budget formulation process. The SMS integrates and presents in the budget relevant performance components used to inform the decision process.
- Provide the budget specific benefit estimates, RDIC, and PART impacts on the budget planning and prioritization process.
- Improve the consistency of benefits estimates (by focusing on consistency in assumptions, methods, and scenarios) such that the DOE Applied R&D programs deliver continually improved (comparable programmatic and integrated) Departmental benefits estimates for FY 2008-2012 budget submissions to OMB.

The reviews will be supported by CFO who will confirm that PSO budgets conform to planning decisions, are performance-based, are justified in the context of performance goals, objectives, and targets, and are consistent with other planning documents, such as Program Plans, Human Capital Plans, Capital Asset Plants, etc.

**FY 2008 S-1 and S-2 Preliminary Program Budget Decisions Issued to PSOs.** In late-July 2005, the Secretary and Deputy Secretary will make recommendations and issue preliminary Program Budget Decisions (PBDs) to the PSOs.

**FY 2008 PSO Appeals and S-1 and S-2 Final Program Budget Decisions Issued.** In early-August 2005, the Secretary and Deputy Secretary will address any PSO budget appeals and subsequently issue final Program Budget Decisions for the PSOs to complete the preparation of their draft OMB Budget Requests.

**PSOs FY 2008 Draft OMB Budget Requests to CFO for Review.** During August 2006, PSOs will prepare their draft FY 2008 OMB Budget Requests which are due to CFO in late-August 2006.

**CFO Comments on Draft FY 2008 OMB Budget Requests Back to PSOs.** In early-September 2006, CFO will provide the PSOs with any final comments on their draft OMB Budget Requests.

**PSOs Final FY 2008 OMB Budget Requests to CFO.** PSOs will submit their final OMB Budget Requests to CFO in early-September 2006.

**FY 2008 OMB Budget Request Submission to OMB.** By mid-September 2006, the Office of the CFO will submit the Department's FY 2008 OMB Budget Request to OMB.

**FY 2008 Congressional Budget Request Submission.** In January 2007, PSOs will submit their FY 2008 Congressional Budget Request to CFO for inclusion in the Department's Congressional Budget Request. In early February 2007, DOE will submit its FY 2008 Congressional Budget Request to Congress through OMB. The CFO coordinates this submission.

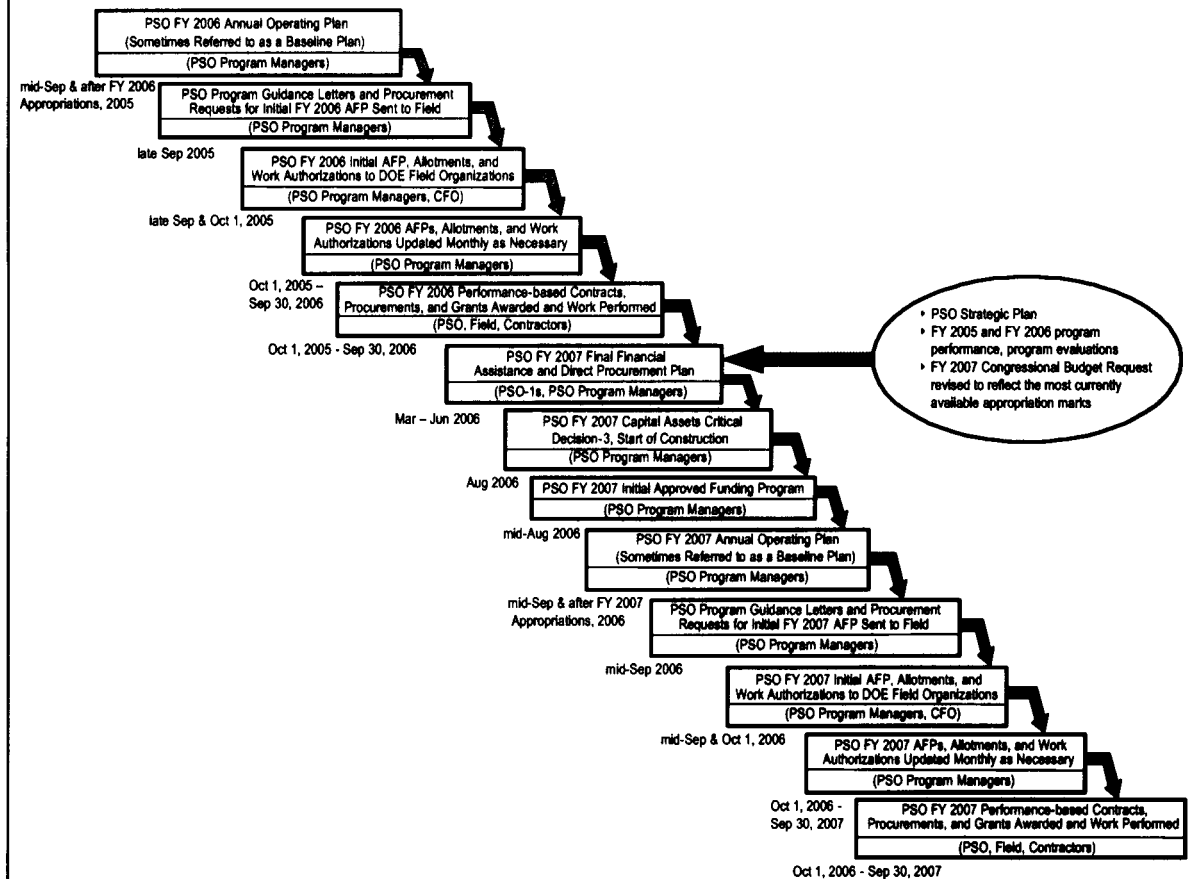
## **PROGRAM IMPLEMENTATION**

Through program implementation, ESE organizations use appropriated funds to carry out the programs, projects, and activities proposed in the Congressional Budget Request as modified by final appropriations and Congressional appropriations report guidance. The funds permit each ESE organization to deliver goods and services to customers. Due to the breadth of program activities and work performers involved, it is critical that the performance commitments made in the planning and budget formulation processes be clearly communicated, understood, and agreed to by Field organizations, contractors, and other performers. Because the last half of the FY 2006 program implementation process occurs in the time frame of this SMS implementation memorandum, it is included as well as the FY 2007 program implementation activities.

The key stages of the FY 2006 and FY 2007 budget implementation process that occur in the September 2005 to September 2007 period are described below and shown on the following page.

**PSO FY 2006 Annual Operating Plan (Sometimes Referred to as a Baseline Plan).** The purpose of execution planning, which encompasses the Annual Operating Plan (AOP), is to facilitate program planning and communication, and to establish a baseline for measuring progress over the course of each fiscal year. The AOP identifies the program mission and functions which support the overall mission and functions of higher level organizations; strategic program objectives; fiscal year tasks planned under each strategic objective; and the personnel and fiscal resources assigned for task accomplishment.

## *FY 2006 and FY 2007 PSO Program Implementation Stages*



Generally, the AOP contains a Spend Plan, a Procurement Plan, Project Inventory, and a Milestones Plan; however, this may vary slightly depending on the nature of the ESE Program Offices. The AOP also identifies responsibilities, controls for program execution, and interfaces and interrelationships with other organizations. Program Offices should be sure to correlate Spend Plans and milestone plans to enable self assessments in the context of DOE's Earned Value Management System.

The general framework for conducting one year operational planning requires programs to review their goals and objectives; identify planned accomplishments for the year with associated measures and standards; identify what work will be assigned; identify who the work will be assigned to; identify required funding and vehicles for assigning the work; identify milestones for ensuring vehicles are in place to assign and fund the work; plan and establish projects; identify the scope of projects, major milestones, technical goals and probable cost; establish project managers; and provide necessary staff resources. The AOP includes planned funding for each DOE Field organization at the transactional level (contracts, financial assistance, Laboratory Field Work Proposals, etc.) and includes baseline data (as required) from the fiscal year just completed (FY 2005) and the fiscal year currently being implemented (FY 2006).

The "Initial" AOP is reviewed and approved by senior program management on or about 15 days prior to the commencement of the fiscal year. After the enactment of final appropriations and receipt of Congressional Conference guidance, PSO Program Managers will prepare the "Final" AOP for all

approved programs, projects, and activities meeting the requirements addressed earlier in this document.

**PSO Program Guidance Letters and Procurement Requests for the Initial FY 2006 Approved Funding Program (AFP) Sent to the Field.** Funds included in the Initial AFP must be authorized for the specific programs, projects, and activities for which the funds were appropriated, before the funds can be awarded or obligated based on the "Initial" AOP (as approved). The guidance for the use of the funds is included in program guidance letters and procurement requests which are prepared by PSO managers at Headquarters and transmitted to DOE Field organizations. In mid-September 2005, PSO Program Managers provided the program guidance letters and procurement requests to PSO financial staff for funds certification, and the program guidance letters were transmitted to the DOE Field organizations in late September 2005. A process similar to this is completed each month for the subsequent AFPs. Whenever possible, all program guidance letters for FY 2006 should be issued by January 31, 2006. As part of the certification, PSO financial staff should ensure that all program guidance letters comply with procurement and budget requirements.

**PSO FY 2006 Initial AFP, Allotments, and Work Authorizations to DOE Field Organizations.** The Initial AFPs, which were effective on the first day of the fiscal year, were issued to DOE Field organizations in late-September 2005, and the allotments, which provide the statutory funding controls effective the first day of the fiscal year, were issued on October 1, 2005. The Office of the CFO is responsible for coordinating this effort in the Department.

**PSO FY 2006 AFPs, Allotments, and Work Authorizations Updated Monthly as Necessary.** Each month, PSO Program Managers provide program guidance letters and procurement requests to PSO financial staff for funds certification and funding transfers to be included in the next monthly AFP. Any adjustments to programs that impact performance targets will be discussed. Subsequently, the program guidance letters are transmitted to DOE Field organizations prior to the issuance of the monthly AFP.

**PSO FY 2006 Performance-based Contracts, Procurements, and Grants Awarded and Work Performed.** Beginning October 1, 2005, FY 2006 PSO performance-based contracts, grants, cooperative agreements, Laboratory Field Work Proposals, and other procurement instruments will be awarded by the cognizant Headquarters and Field organizations to permit the continued implementation of the PSO's mission objectives. The Office of Management's Office of Procurement and Assistance Management is responsible for making all awards at Headquarters; the cognizant Field organizations are the principal organizations which perform this role in the field.

Between October 1, 2005, and September 30, 2006, PSO FY 2006 program work will be performed by a wide range of organizations such as DOE laboratories; industry; colleges and universities; Federal, State, and local governments; non-profit entities; and consortia. The work is managed by PSO Program Managers and Field staff to ensure compliance with statements of work for achieving the mission objectives of the program.

**PSO FY 2007 Final Financial Assistance and Direct Procurement Plan.** In cases where Program Offices provide financial assistance vehicles and direct procurements, the PSO programs will develop in the March-June 2006 timeframe, a FY 2007 Financial Assistance and Direct Procurement Plan that defines the work scope, procurement mechanism (i.e., grant, cooperative agreement, or contract), dollar amount, desired procurement office, and desired dates of service. Once these plans are approved, the procurements can be released for solicitation. The objective of issuing solicitations in March-June is to make awards by the fall for inclusion in the Approved Funding Programs, after the President signs the appropriations bill.

**PSO FY 2007 Capital Assets Critical Decision-3, Start of Construction.** Projects expecting to start construction in early FY 2007 will generally need to start final design in the fourth quarter of FY 2005. By August 2006, construction planning should be completed, including final design drawings, and bid packages released.

**PSO FY 2007 Initial Approved Funding Program.** The AFP is the DOE mechanism to transfer funds to Field organizations for implementing programs. The FY 2007 Initial AFP will be issued by the CFO in mid-September 2006, and is effective October 1, 2006, the first day of FY 2007. Providing funds in the Initial AFP ensures the continuity of programs and enhances the ability to make awards sooner. These early actions increase the PSO's ability to get funds obligated and costed which helps to reduce carryover balances at the end of the fiscal year. By mid-August 2006, PSO Program Managers will prepare statistical summaries of the funding distributions to all cognizant Field organizations for implementing FY 2007 programs based on the best available information. In the absence of final enacted appropriations or even a Conference mark, the more constraining of the House or Senate Appropriations marks will be used.

**PSO FY 2007 Annual Operating Plan (Sometimes Referred to as a Baseline Plan).** The purpose of execution planning, which encompasses the Annual Operating Plan (AOP), is to facilitate program planning and communication, and to establish a baseline for measuring progress over the course of each fiscal year.

The AOP identifies the program mission and functions which support the overall mission and functions of higher level organizations; strategic program objectives; fiscal year tasks planned under each strategic objective; and the personnel and fiscal resources assigned for task accomplishment. Generally, the AOP contains a Spend Plan, a Procurement Plan, Project Inventory, and a Milestones Plan; however, this may vary slightly depending on the nature of the ESE Program Offices. The AOP also identifies responsibilities, controls for program execution, and interfaces and interrelationships with other organizations. Program Offices should be sure to correlate Spend Plans and milestone plans to enable self assessments in the context of DOE's Earned Value Management System.

The general framework for conducting one year operational planning requires programs to review their goals and objectives; identify planned accomplishments for the year with associated measures and standards; identify what work will be assigned; identify who the work will be assigned to; identify required funding and vehicles for assigning the work; identify milestones for ensuring vehicles are in place to assign and fund the work; plan and establish projects; identify the scope of projects, major milestones, technical goals and probable cost; establish project managers; and provide necessary staff resources. The AOP includes planned funding for each DOE Field organization at the transactional level (contracts, financial assistance, Laboratory Field Work Proposals, etc.) and includes baseline data (as required) from the fiscal year just completed (FY 2006) and the fiscal year currently being implemented (FY 2007).

The "Initial" AOP is reviewed and approved by senior program management on or about 15 days prior to the commencement of the fiscal year. After the enactment of final appropriations and receipt of Congressional Conference guidance, PSO Program Managers will prepare the "Final" AOP for all approved programs, projects, and activities meeting the requirements addressed earlier in this document.

**PSO Program Guidance Letters and Procurement Requests for the Initial FY 2007 AFP Sent to the Field.** Funds included in the Initial AFP must be authorized for the specific programs, projects, and activities for which the funds were appropriated, before the funds can be awarded or obligated. The

guidance for the use of the funds is included in program guidance letters and procurement requests which are prepared by PSO Program Managers at Headquarters and transmitted to DOE Field organizations. By mid-September 2006, the PSO Program Managers will provide the program guidance letters and procurement requests for funds certification. Subsequently, the program guidance letters are transmitted to DOE Field organizations by end of September. A process similar to this is completed each month for the subsequent AFPs. Whenever possible, all program guidance letters for FY 2007 should be issued by the end of January 2007. As part of the certification, each PSO Program Manager will ensure that all program guidance letters comply with procurement and budget requirements.

**PSO FY 2007 Initial AFP, Allotments, Work Authorizations to DOE Field Organizations.** The Initial AFP which will be effective on the first day of the fiscal year will be issued to DOE Field organizations in mid-September 2006, and the allotments, which provide the statutory funding controls effective the first day of the fiscal year, will be issued on October 1, 2005. The Office of the CFO is responsible for coordinating this effort in the Department.

**PSO FY 2007 AFPs, Allotments, and Work Authorizations Updated Monthly as Necessary.** Each month, PSO Program Managers provide program guidance letters and procurement requests to PSO financial staff for funds certification and funding transfers to be included in the next monthly AFP. Subsequently, the program guidance letters are transmitted to DOE Field organizations prior to the issuance of the monthly AFP.

**PSO FY 2007 Performance-based Contracts, Procurements, and Grants Awarded and Work Performed.** Beginning October 1, 2006, FY 2007 PSO performance-based contracts, grants, cooperative agreements, Laboratory Field Work Proposals, and other procurement instruments will be awarded by the cognizant Headquarters and Field organizations to permit the continued implementation of the PSO's mission objectives. The Office of Management's Office of Procurement and Assistance Management is responsible for making all awards at Headquarters; the cognizant Field organizations are the principal organizations which perform this role in the field.

Between October 1, 2006, and September 30, 2007, PSO FY 2007 program work will be performed by a wide range of organizations such as DOE laboratories; industry; colleges and universities; Federal, State, and local governments; non-profit entities; and consortia. The work is managed by PSO Program Managers and Field staff to ensure compliance with statements of work for achieving the mission objectives of the program.

## **PROGRAM ANALYSIS AND EVALUATION**

Program analysis and evaluation, as defined for the SMS, includes analyzing the expected benefits of the programs included in the performance budget request to Congress; tracking, reporting, and analyzing performance measurement data; conducting in-depth evaluations of programs; and providing results of the analyses and evaluations for use in planning and resource allocation. Performance measurement data includes performance measures in the DOE Budget, performance-based contracts, and performance data related to PSO financial operations, human resources, facilities, and customers. Analysis of performance data will include whether goals were achieved, verification and validation of performance levels, and what external factors may have influenced performance. Performance information will be tracked and reported throughout the year, with year-end results being reported in DOE's Annual Performance and Accountability Report and in other PSO program evaluations including peer reviews and accomplishments reports. In addition, corrective action plans will be developed and reports generated for those items where reported performance does not meet

commitments. This information is required quarterly in Joule and annually in the Performance and Accountability Report.

Performance measures and evaluation are at the core of the President's Management Agenda's efforts to formally integrate performance reviews with budget decisions to ensure that the Federal government is producing performance-based budgets. The SMS program analysis and evaluation products contain information that is critical to the completion of the Administration performance rating tools, including the BPI Standards of Success, as well as PART and RDIC. These tools feed the planning and budget formulation processes by providing common metrics for assessing the performance of multiple programs. Information generated from these tools is best used as a complement to traditional management techniques whereby constructive dialogue is stimulated between program managers, budget analysts, and policy officials. In short, analysis and evaluation play a key role in producing the information necessary for an open discussion about budget and program options in the context of program results and outcomes.

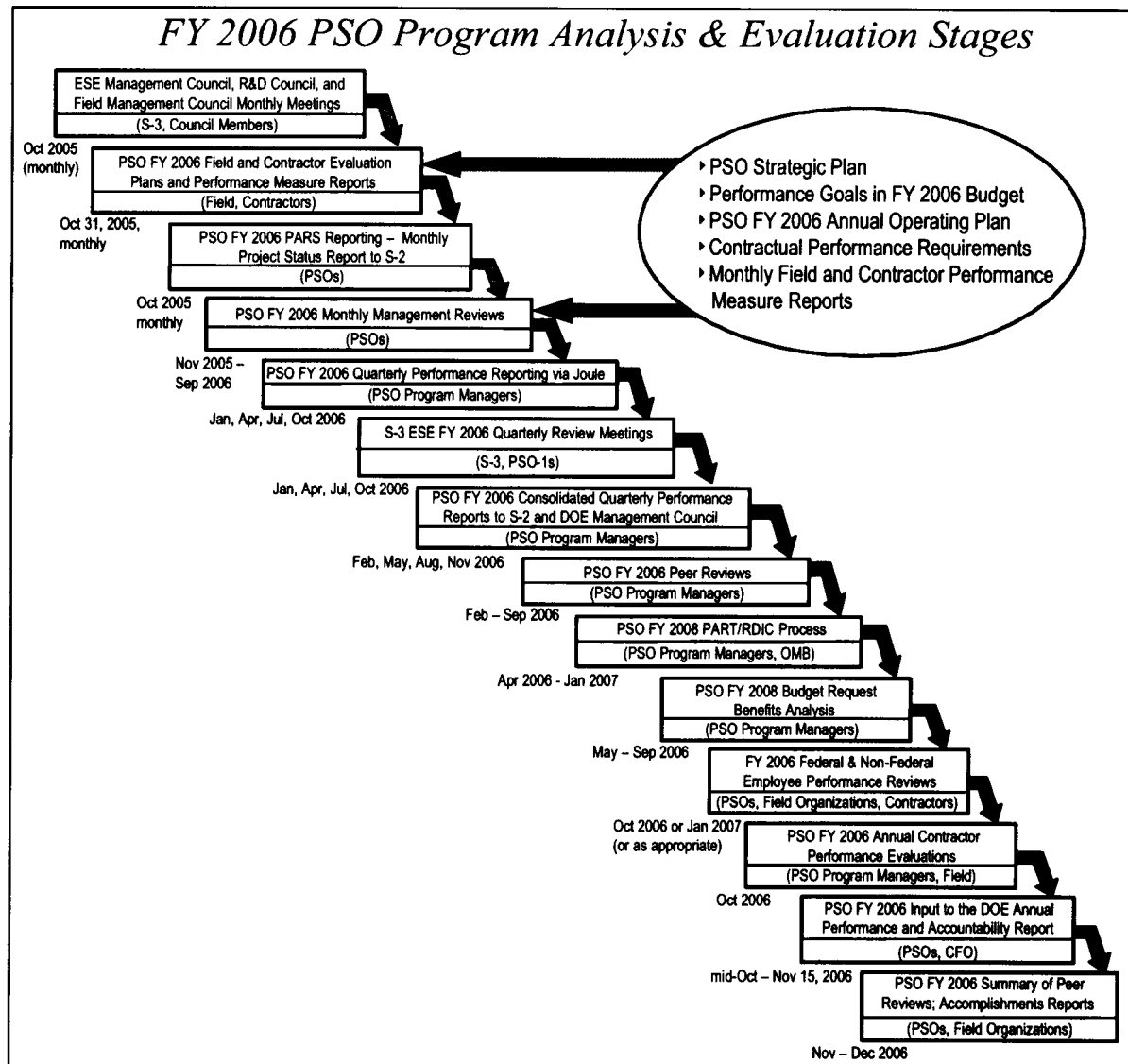
Ultimately, the development and use of performance information allow each and every Federal and non-Federal employee to see where their work fits in accomplishing PSO and Departmental goals, and provides a path of accountability between the Department's long-term vision and the day-to-day activities of these individuals.

The key stages of the FY 2006 program analysis and evaluation process are described below and shown on the next page

**ESE Management Council, R&D Council, and Field Management Council Monthly Meetings.** To facilitate the implementation of the SMS and to ensure open channels of communication among ESE headquarters and field offices, the Under Secretary for ESE established the ESE Management Council, ESE Research and Development Council, and ESE Field Management Council. The Councils will be chaired by the Associate Under Secretary for ESE and will meet on a regular schedule each month. Each Council consists of senior managers from ESE headquarters and/or field organizations, as specified in their individual council charters. The ESE Management Council focuses on Program Office issues regarding the President's Management Agenda and operational awareness (especially with regard to nuclear safety and security). The ESE R&D Council focuses on R&D issues relating to the President's Management Agenda (e.g., research and development investment criteria and portfolio analysis and budgeting) and nuclear safety R&D. The ESE Field Management Council focuses on cross-cutting management concerns regarding operations, nuclear safety and security, environment, safety, health, and financial fitness. The ESE Councils (1) provide a formal mechanism to help ESE senior managers deal promptly with cross-cutting management concerns and to identify opportunities for synergy across ESE components, (2) share information among members and to solve problems affecting members, and (3) make recommendations directly to the Under Secretary concerning issues affecting new management policies, procedures, or requirements.

**PSO FY 2006 Field and Contractor Evaluation Plans and Performance Measure Reports.** Evaluation Plans define the bases for evaluating Field organization and contractor performance for the current fiscal year. Performance objectives should be consistent with the commitments made in the Department's FY 2006 Budget. Field organizations and contractor organizations are responsible for preparing these plans. Evaluation Plans should be in place by October 31, 2005.

Each month, Field organizations and contractor organizations submit performance reports that cover the previous month's performance. The reports should collect relevant schedule, budget execution, and performance metrics information. The content of the reports will serve as the basis for the information



contained in the monthly management reviews. The respective PSO Program Managers coordinate this reporting that feeds into the Consolidated Quarterly Performance Report.

***PSO FY 2006 PARS Reporting – Monthly Project Status Report to S-2.*** For each month, projects will need to enter planned versus actual cost and schedule data, as well as project status and variance explanations, in PARS (Project Assessment and Reporting System). Project performance data from PARS is then summarized and provided to the Deputy Secretary.

***PSO FY 2006 Monthly Management Reviews.*** Each month, PSOs review the status of all their programs as reflected through relevant schedule, budget execution, and performance metrics. Appropriate project management principles and tools should also be used to ensure accurate, reliable, and consistent performance reporting. These monthly meetings include the PSO-1 and other appropriate Headquarters and Field staff and generate input to the Consolidated Quarterly Performance Report.



**PSO FY 2006 Quarterly Performance Reporting via Joule.** Program performance is self-assessed quarterly and annually against standards in the DOE Joule database using a green/yellow/red rating system. PSO Program Managers report results, commentary, and a plan of action, if necessary. Reporting for FY 2006 will be in January, April, July, and October 2006. This will include more than just the currently tracked Joule measures, per the S-2 October 4, 2004, memo. The monthly Field and contractor performance measure reports and monthly management reviews will provide input to the quarterly reporting.

**S-3 ESE FY 2006 Quarterly Review Meetings.** This ESE activity consists of quarterly review meetings between the Under Secretary for ESE and the ESE PSOs to review the status of all Joule milestones, BPI standards, and other PMA measures. The reviews will rely on the data generated in the monthly management reports. The meetings for FY 2006 performance will be held in the third weeks of January, April, July, and October 2006.

**PSO FY 2006 Consolidated Quarterly Performance Report to S-2 and DOE Management Council.** Self-assessed program performance is reported quarterly to the Deputy Secretary and the DOE Management Council in the form of a Consolidated Quarterly Performance Report (CQPR). The CQPR for FY 2006 will be prepared in February, May, August, and November 2006. Inputs to the CQPR include performance measures (Joule data), project management (Project Assessment and Reporting System data), and program self-assessments.

**PSO FY 2006 Peer Reviews.** Formal internal and external reviews provide an important feedback function and can help move programs in more productive directions. Formal internal program reviews are typically conducted on an annual basis to ensure that policy is being effectively implemented and program funding is being responsibly utilized.

External peer reviews vary significantly in how and when they are done, as well as how they are used to guide the program. For instance, they can be retrospective or prospective. They can cover entire programs or provide input to selected officials about specific competitive solicitations. Conducting basic scientific research is quite different from building a user facility; thus peer review will correspondingly differ. For instance, in the case of basic, early applied, and some other scientific research, an annual or bi-annual peer review is sufficiently frequent in most cases, because more frequent peer reviews often divert researchers from doing research and perhaps even skew the research from trying innovative approaches that help lead to fundamental understanding of the issues to a lower risk approach of standardizing test runs and meeting criteria through repetition. On the other end of the spectrum, such as in building a user facility, the PSO may want to conduct an annual external peer review to ensure that the scientific mission was being met, and a more frequent evaluation of progress in the actual construction. Peer reviews for FY 2006 will generally be conducted between February and September 2006.

**PSO FY 2008 PART/RDIC Process.** The Program Assessment Rating Tool (PART) is a systematic method of assessing the performance of program activities across the Federal government. It is a diagnostic tool used to improve program performance. The PART assessments help inform budget decisions and identify actions to improve results. Agencies are held accountable for implementing PART follow-up actions and working toward continual improvements in performance.

The PART is central to the Administration's BPI Initiative because it drives a sustained focus on results. To earn a high PART rating, a program must use performance to manage, justify its resource requests based on the performance it expects to achieve, and continually improve efficiency—all goals of the

BPI Initiative. The President's FY 2008 budget request to Congress contains a section that explicitly addresses PART for each program.

The PART questionnaire that is submitted by the programs in accordance with OMB's PART schedule is divided into four sections: 1) Program Purpose & Design, 2) Strategic Planning, 3) Program Management, and 4) Program Results. Points are awarded to a program based on the answer to each question, and an overall rating of effectiveness is then assigned. There are 5 categories of possible ratings: Effective, Moderately Effective, Adequate, Ineffective, and Results Not Demonstrated.

An initiative in the President's Management Agenda particularly relevant to ESE is the R&D Investment Criteria (RDIC). OMB requires that the investment criteria be built into the practices that R&D program managers use to plan and assess their programs. OMB has directed ESE to use the criteria as broad guidelines and apply the criteria to all levels of Federally funded R&D efforts. In addition, OMB has directed ESE to use the PART as the instrument to periodically evaluate compliance with the criteria at the program level. To make this possible, the R&D PART has been modified in OMB's 2006 *PART Guidance* to clarify its alignment with the R&D criteria.

Key PART/RDIC dates for the PSOs include:

- April 30, 2006 – First PART draft/evidence delivered to OMB (BPI deliverable)
- June 30, 2006 – PARTs complete. If it is not possible to complete all PARTs by this time, OMB and agencies may negotiate up to a one month extension. However, all "Results Not Demonstrated" programs that are being reassessed must be completed by this time
- August 2, 2006 – All PARTs, including those with extensions, complete and database closed
- November/early December 2006 – Agencies submit updated PARTs, for limited reasons agreed to by OMB Resource Management Offices and agencies, and only if necessary, before the release of the Budget

**PSO FY 2008 Budget Request Benefits Analysis.** Program benefits are analyzed annually. The exercise formally begins after the preliminary FY 2008 budget request numbers are available. While the FY 2008 exercise will formally begin in May 2006, programs will collect data and develop analytic tools throughout the year that are used in the benefits analysis exercise. The purpose of the analysis is to estimate the likely benefits (i.e., outcomes) of the programs achieving the goals (i.e., outputs) included in the FY 2008 budget request. ESE is aiming for consistency in methods, assumptions, and scenarios for estimating costs and benefits, and will use these analyses to inform and justify budget decisions. To this end, the Associate Under Secretary for ESE is leading an initiative designed to provide by spring of 2006 an integrated organizational structure to develop and implement a substantially enhanced and more consistent analytic framework that leads to the development of better science and technology decision-making information to support the FY 2008 and subsequent budget cycles. The benefits estimates are included in the FY 2008 Budget Request document submitted to OMB in September 2006.

**FY 2006 Federal and Non-Federal Employee Performance Reviews.** During the fiscal or calendar year (progress reviews) and in October 2006 or January 2007 (end-of-year), both Federal and non-Federal employee performance is reviewed in accordance with applicable rules, personnel policies, and union agreements. Performance should be measurable, accountable, and traceable to performance plans, objectives, and commitments. Reviews are coordinated by the respective organizations.

**PSO FY 2006 Annual Contractor Performance Evaluations.** In accordance with contract management plans, contractor performance will be evaluated against specific performance goals set

forth in performance-based contracts. The evaluation affects fee determination or fee penalties, the exercise of contract options, award term, future contract award, and subsequent performance objectives. The evaluation of contracts for performance of work in FY 2006 will take place in October 2006 by the appropriate PSO Program Managers or Field organizations.

**PSO FY 2006 Input to the DOE Annual Performance and Accountability Report.** The Government Performance and Results Act of 1993 and the Government Management Reform Act of 1994 require each agency to submit an annual performance report to Congress each March for the previous fiscal year. This date has been accelerated to November 15 for the previous fiscal year. The Federal Managers' Financial Integrity Act of 1982 (FMFIA) requires an annual report to Congress on the adequacy of departmental management control systems. In turn, the Secretary requires DOE PSOs to provide a FMFIA assurance memorandum that addresses the adequacy of their management control systems.

The Department's Annual Performance and Accountability Report streamlines and integrates these multiple reporting requirements. This report documents the Department's actual performance against the targets of the Annual Budget. The report also covers the management controls in place for programs and administrative functions under each PSO.

Third quarter reported performance is the basis for the annual independent audit conducted in July, August, and September. Year-end reported performance is also audited in October. Both third and fourth quarter performance information is used in forming the auditors' opinion that becomes part of the Department's Performance and Accountability Report.

PSOs will prepare an end-of-year assessment of progress toward 1-year and multi-year goals and the status of their management controls. PSO input for FY 2006 will be provided by mid-October 2006 to the CFO who issues the final report by November 15, 2006.

**PSO FY 2006 Summary of Peer Reviews; Accomplishments Report.** During November and December 2006, an Accomplishments Report will be developed that summarizes and reports performance and evaluation information for FY 2006. Findings with regard to performance tracking and analysis, findings from program and peer reviews, National Academy of Sciences studies, and case studies and success stories developed across the PSO programs and by PSO partners and critics will be included. This will provide a rich base of performance information to assist with PSO program decisions and serve as an inventory for PSO evaluation. Additionally, guidance will be prepared for systematically collecting cost and benefit information on an ongoing basis, so that accomplishments can be translated into aggregate evaluation data and the cost effectiveness of the PSO's programs as a whole can be reported.

A chronological list of all SMS core activities, their schedule, and the lead roles for the period of October 2005 to February 2007 are provided on the following page.

# SMS CORE ACTIVITIES AND PRODUCTS, SCHEDULE, AND LEAD ROLES THRU FEB 2007

<b>Core Activities and Products</b>	<b>Target Date</b>	<b>Lead Role*</b>
PSO FY 2006 Annual Operating Plan (Sometimes Referred to as a Baseline Plan)	mid-Sep and after FY 2006 Appropriations, 2005	PMs
PSO Program Guidance Letters and Procurement Requests for Initial FY 2006 AFP Sent to Field	late Sep 2005	PMs
PSO FY 2006 Initial AFP, Allotments, and Work Authorizations to DOE Field Organizations	late Sep & Oct 1, 2005	PMs, CFO
ESE Management Council, R&D Council, and Field Management Council Monthly Meetings	Oct 2005, monthly	S-3, Council Members
PSO FY 2006 PARS Reporting – Monthly Project Status Report to S-2	Oct 2005, monthly	PSO
PSO FY 2006 AFPs, Allotments, and Work Authorizations Updated Monthly as Necessary	Oct 1, 2005 - Sep 30, 2006	PMs
PSO FY 2006 Performance-based Contracts, Procurements, and Grants Awarded and Work Performed	Oct 1, 2005 - Sep 30, 2006	PSO, FO, Contractors
PSO FY 2006 Field and Contractor Evaluation Plans and Performance Measure Reports	Oct 31, 2005, monthly	FO, Contractors
PSO FY 2006 Monthly Management Reviews	Nov 2005 - Sep 2006	PSO
PSO FY 2006 Quarterly Performance Reporting via Joule	Jan, Apr, Jul, Oct 2006	PMs
S-3 ESE FY 2006 Quarterly Review Meetings	Jan, Apr, Jul, Oct 2006	S-3, PSO-1s
PSO FY 2006 Consolidated Quarterly Performance Report to S-2 and DOE Management Council	Feb, May, Aug, Nov 2006	PMs
PSO FY 2006 Peer Reviews	Feb – Sep 2006	PMs
PSO FY 2007 Field Budget Call	mid-Mar 2006	PSO, CFO
DOE Strategic Plan	Mar 2006	S-1, S-2, S-3, CFO
PSO Strategic Plan	Most Current	PSO-1
PSO Multi-year Program Planning	Most Current	PMs
PSO FY 2007 Final Financial Assistance and Direct Procurement Plan	Mar – Jun 2006	PSO-1, PMs
ESE FY 2008 Issues Summit	late-Mar 2006	S-3, PSO-1s
CFO Issues FY 2008 Corporate Review Budget Call (Includes Planning Requirements for FY 2008-2012)	mid-Apr 2006	CFO
FY 2008 Field Budget Submission to PSOs	late-Apr 2006	FOs
PSO FY 2008 PART/RDIC Process	Apr 2006 – Jan 2007	PMs, OMB
PSO FY 2008 Budget Request Benefits Analysis	May – Sep 2006	PMs
PSO FY 2008 Corporate Review Budget and Planning Data to CFO	early-Jun 2006	PSOs
FY 2008 PSO Capital Asset Planning (mission need approval, Order 413.3)	mid-June 2006	PMs, FO
FY 2008 PSO Capital Asset Planning (baseline validation, Order 413.3)	end-June 2006	PMs, FO
PSO FY 2008 PMA Initiative Plans (Facilities, Human Capital)	mid-June 2006	PMs, FO
CFO FY 2008 Reviews, Recommendations, and Discussions with PSOs	late-Jun - early-Jul 2006	CFO, PSOs
FY 2008 Corporate Review Budget Hearings with S-1 and S-2	mid-Jul – late-Jul 2006	S-1, S-2, CFO, PSOs
FY 2008 S-1 and S-2 Preliminary Program Budget Decisions Issued to PSOs	late-Jul 2006	S-1, S-2
PSO FY 2007 Capital Assets Critical Decision-3, Completion of Construction Planning prior to Construction	Aug 2006	PMs
FY 2008 PSO Appeals and S-1 and S-2 Final Program Budget Decisions Issued	early-Aug 2006	S-1, S-2
PSO FY 2007 Initial Approved Funding Program	mid-Aug 2006	PMs
PSOs FY 2008 Draft OMB Budget Requests to CFO for Review	late-Aug 2006	PSOs
CFO Comments on Draft FY 2008 OMB Budget Requests Back to PSOs	early-Sep 2006	CFO
PSO Final FY 2008 OMB Budget Request to CFO	early-Sep 2006	PSOs
FY 2008 OMB Budget Request Submission to OMB	mid-Sep 2006	CFO
PSO FY 2007 Annual Operating Plan (Sometimes Referred to as a Baseline Plan)	mid-Sep & after FY 2007 Appropriations, 2006	PMs
PSO Program Guidance Letters and Procurement Requests for Initial FY 2007 AFP Sent to Field	mid-Sep 2006	PMs
PSO FY 2007 Initial AFP, Allotments, and Work Authorizations to DOE Field Organizations	mid-Sep & Oct 1, 2006	PMs, CFO
PSO FY 2007 AFPs, Allotments, and Work Authorizations Updated Monthly as Necessary	Oct 1, 2006 - Sep 30, 2007	PMs
PSO FY 2007 Performance-based Contracts, Procurements, and Grants Awarded and Work Performed	Oct 1, 2006 - Sep 30, 2007	PSO, FO, Contractors
FY 2008 Federal and Non-Federal Employee Performance Reviews	Oct 2006 or Jan 2007	PSO, FO, Contractors
PSO FY 2006 Annual Contractor Performance Evaluations	Oct 2006	PMs, FO
PSO FY 2006 Input to the DOE Annual Performance and Accountability Report	mid-Oct – Nov 15, 2006	PSO, FO
PSO FY 2006 Summary of Peer Reviews; Accomplishments Reports	Nov – Dec 2006	PSO, FO
FY 2008 Congressional Budget Request Submission	early Feb 2007	CFO

\* S-1 = DOE Secretary  
S-2 = DOE Deputy Secretary  
S-3 = DOE Under Secretary for ESE

PSO = Program Secretarial Office  
PSO-1 = Program Secretarial Officer  
PMs = PSO Program Managers

CFO = Office of the Chief Financial Officer  
FO = PSO Field Organizations